

Oracle® Banking Originations

Functional Overview

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Preface

Oracle Banking is a one-stop solution for a bank for its core banking operations, across retail offerings. It is designed to help banks respond strategically to today's business challenges, while also transforming their business models and processes to reduce operating costs and improve productivity across both front and back offices.

Oracle Banking provides a unified yet scalable IT solution for a bank to manage its data and end-to-end business operations with an enriched user experience. It is a composed set of different modules wherein each of the modules is serviced by a set of services and other subsystems.

This preface contains the following topics:

- [Audience](#)
- [Documentation Accessibility](#)
- [Related Documents](#)
- [Conventions](#)

Audience

This guide is intended for the users of Oracle Banking Originations.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

Access to Oracle Support

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Related Documents

For more information, see the following documentation:

- For installation and configuration information, see the Oracle Banking Installation Guide - Silent Installation
- For a comprehensive overview of security for Oracle Banking, see the Oracle Banking Security Guide

- For the complete list of Oracle Banking licensed products and the Third Party licenses included with the license, see the Oracle Banking Licensing Guide
- For information related to setting up a bank or a branch, and other operational and administrative functions, see the Oracle Banking Administrator's Guide
- For information related to customization and extension of Oracle Banking, see the Oracle Banking Extensibility Guide

Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
monospace	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

Overview

A robust account origination solution enables banks to offer suitable packages of products across the lines of business to the targeted number of customers and enhances sales opportunities. Oracle Banking offers a user-friendly account origination product which can help banks in process automation to achieve exceptional levels of user experience and performance efficiency thereby improving customer base and revenue growth.

Oracle Banking Originations is functionally rich and capable of maintaining complex information related to customers and various bank products and supports multiple applications of a customer in a single submission. The system supports the different stages of the end-to-end life cycle for different product classes like lending (Loans and Overdrafts), liability (savings, term deposit), bundle origination, variation (or amend) of existing facilities.

This account origination system helps banks to streamline and improve their account opening plans for Liability accounts as well as Lending accounts. In a single submission, multiple borrowers can apply for different products of the bank. In respect of lending applications, the solution has the ability to capture details, evaluate or provide a mechanism to evaluate critical attributes like Capital requirements, Credit worthiness of customer, Capacity of customer to repay and Collateral adequacy. Banks can not only take appropriate credit decisions and accord approvals to most of the lending applications in real time but also ensure meeting ever-increasing regulatory requirements.

The solution also supports application of credit policy and quick assessment of financial risk so that the bank can take measures for mitigation of financial risk at the right time. It supports features for handling of secured or unsecured lending products for Loan or Overdraft products.

Key Features

This chapter describes the key features of Oracle Banking Originations.

2.1 Application Capture

This feature enables the user to capture multiple types of applications within a single submission, albeit with some rules.

The application capture mechanism within Oracle Banking Originations allows the user to capture multiple product groups applied for by multiple applicants as part of a submission.

The following application types can be captured in the landing page of the application form:

- New Lending Facility
- New Product Bundles
- New Deposit
- Amend Lending Facilities
- New Credit Cards
- Amend Credit Card Limit

The option Amend Lending Facilities is enabled only when the customer is selected upfront through customer context. If other options of application type are chosen along with the Amend option, then the selected applicant has to be the primary applicant for the selected product groups.

Based on the application type selected, the system will expand the steps in the application form that have to be filled mandatorily or optionally based on the configuration. The following table suggests the steps based on the type of product group selected. Following are the steps for the two distinct types of origination workflow behavior:

Table 2–1 Steps for Liability Origination Workflow Behavior

Serial#	Stage Name	Description
1	Product Details	Stage to capture product details corresponding to product group and applicant details.
2	Personal Details	Mechanism to capture or refresh personal details of the applicants associated with the product groups.
3	Structure Solution	Logical step to enable account configuration for the offer selected within the product group. Mandatory for liability product groups as part of the application form.
4	Review and Submit	A consolidated view of the product groups applied in the submission.

Table 2–2 Steps for Lending Origination Workflow Behavior

Serial#	Stage Name	Description
1	Product Details	Stage to capture product details corresponding to product group and applicant details. Varied basic details based on whether the product group is for Loan or Overdraft.
2	Personal Details	Mechanism to capture or refresh personal details of the applicants associated with the product groups.
3	Collaterals	Enabled only when the product group is indicated as secured. Mechanism to link 1 or more collaterals to the applied facility. Link existing or new collaterals as part of the form.
4	Funds Table	Based on the configuration of funding template linked with product group and purpose type combination, system will provide mechanism to view, update and modify the outlay and funds sections for the lending facilities applied.
5	Financial Details	Step to capture and display financial information for the applicants and guarantors based on the template configured for the corresponding party type (and other logical entity, for example, employment type for Individual party type).
6	Structure Solution	Logical step to enable account configuration for the offer selected within the product group. This step is optional as part of the application form for lending product groups.
7	Document Checklist	Process the document policies defined within the DMS module of Oracle Banking and display documents to be submitted by applicants and guarantors.
8	Review and Submit	A consolidated view of the product groups applied in the submission.

A brief synopsis of the different steps mentioned above is as follows:

Step 1 Product Details

The summary of product details is as follows:

- Mechanism to capture product specific information based on the product group chosen from the landing page.
- Applicants applying for the respective product groups.
- Capture of guarantors, if required, in case of lending product groups.
- Ability to capture property details in case of lending product groups being applied based on purpose type chosen.
- System allows capture of the expected settlement date as part of product details. This date will be the indicative date by which the customer is expected to make

the settlement. This enables the banker to prioritize the application based on the turnaround time.

Step 2 Personal Details

The summary of personal details is as follows:

- Display of existing information, if any, for the applicants and guarantors (applicable for lending products) and update information, if any.
- Separate pages for individual, organization and trust applicant.
- Logic for panels and fields being mandatory or optional based on the type of products being applied. For example: Employment information is optional for capture in case of liability products being applied.
- Multiple business relationships capture between two parties is allowed.

Step 3 Bundles

For more information on bundles, see [Section 2.31, "Bundling – Recommendation View, Selection and Link Existing Accounts to Bundle."](#)

Step 4 Collaterals

The summary of collaterals is as follows:

- Collaterals can be captured for loans, where product groups are secured and collateral required is enabled at a credit policy level.
- Allow mechanism to link existing collaterals present in the system OR Add New Collateral and link to respective facility.
- System allows the user to link only those collaterals belonging to the allowed list of collateral type and category combinations.
- System allows more than one collateral to be linked to a facility being applied or amended as part of the submission.

Step 5 Funds Table

The summary of funds table is as follows:

- Applicable for lending product groups only.
- Prerequisites of Funding Parameters and Funding Template essential.
- Displayed based on template linked to product group and purpose type combination.
- Feature to display the outlay and source of funds which gives the customer and banker a holistic picture of the overall arrangement in terms of funds.
- Execution of rules related to Lenders Risk Management (LRM), if applicable, prior to display of funds table.
- Capability to display LMI (Lenders Mortgage Insurance) and Consumer Credit Insurance (CCI) quote amounts.
- Ability to negotiate fees post the derivation from the price policy chart within Oracle Banking Relationship Pricing.

Step 6 Financial Details

The summary of financial details is as follows:

- Mandatory step applicable for lending product groups only.

- Feature to display and capture financial information for individual or organization or trust applicants.
- Capture of personal financial position and business income statement and balance sheet.
- Display of existing assets and liabilities within Oracle Banking as part of individual party's financial position.
- Bank can configure the financial information that needs to be captured using financial parameters and template.
- Mechanism to capture multiple active employments and link financials for each active employment. Integration with party financial templates and profile capture for the same.
- Ability to clone financials across applicants in the same submission where one or more applicants share the same employment detail in case of self employed employment.
- Ability to expire existing employment and capture new employment details.
- Integration with party module for financial template and profile capture for the following features:
 - Capture of mandatory financial parameters from the template
 - Financial Ratio related functionality – fixed list of ratios computed by the Party module in Oracle Banking - Derived or User Input ratios supported.
 - Display of Net Customer Position based on the financial details captured.
 - Mechanism to capture salaried and self employed related financial detail information.
 - Mechanism to capture Current Position of assets and liabilities in case of organization and trust.
 - Additional Details capture enhanced to make it user maintained list based on nature of financial parameters. Supports character, numeric and date based fields.
 - Enhance factory shipped templates for Individual (Salaried, Self Employed), Organization (Simple type) and Trust.
 - Capture of linked or associated asset-income-liability-expense financial parameters.
- Ability to read the rules maintained as part of Origination preferences and resolve the relevant financial template for Individuals only.
- Ability to resolve the highest priority template in case of the applicants applying for multiple product groups in the same Submission.
- The same would be applicable for Affiliates, Guarantors as well.

Step 7 Structure Solution

The summary of structure solution is as follows:

- Applicable for liability (mandatory step) and lending product groups (optional step)
- Offer selection and account configuration – Feature to configure the account based on the product class – Savings and Overdrafts, Term Deposit and Loans

- Interaction with Oracle Banking Relationship Pricing to determine and display applicable interest rates, margins and fees
- Capability to negotiate margins and fees, based on configuration within Oracle Banking Relationship Pricing
- Feature to configure sub-lines and accounts under the respective sub-lines under the Facility Summary for lending product groups

Step 8 Document Checklist

The summary of document checklist is as follows:

- Origination interact with the DMS module and execute the applicable document policy rules linked at the levels for application, product groups and collateral (DMS is the document management services is not part of Origination and is a different module within Oracle Banking)
- Display document status and link if document already received
- Validate status of mandatory documents and disallow to move ahead unless mandatory documents are marked as received
- Display status for all inbound documents expected from applicants and guarantors
- Applicable for lending product groups only

Step 9 Condition Details

The summary of condition details is as follows:

- Ability to capture conditions for the different entities associated with the application form that is, applicants, facilities and collaterals, if any, linked to the facility.

Step 10 Review and Submit

The summary of review and submit is as follows:

- Common step to display a summary of the product groups applied for by the applicants in a submission.
- Ability to generate application form (based on pre-configured template) for the different products applied for in the application form.

2.2 Sourcing Entity Capture and Processing - Applications Sourced By Broker or Introducer

Typically, banks might have applications and accounts originated by broker or introducer. In such cases, the agent like broker or introducer gets commission (upfront or trail) for the income or customer generated for the bank. There could also be scenarios where the broker or introducer is willing to forego a portion of his or her margin which in turn translates to a benefit to the customer's account.

The system supports the capture of the application form and the applied product groups within the submission to be broker or introducer sourced. This will be applicable as part of new products applied or for variations done through the origination workflow.

The system checks the eligibility of the offers applied under the respective product group and displays only those offers which are eligible to be sourced by either broker

or introducer based on the sourcing entity captured as part of the application header in the submission.

The following features have been incorporated and integrated in Oracle Banking Originations for the same:

- Capture of sourcing entity for applications – Broker or Introducer.
- Display of the broker or introducer details within the application.
- Integration with offer selector to perform offer eligibility as part of the account configuration.
- Capture of Commission and Rebate Details within account configuration for new or amendments.
- Printing of the broker or introducer and commission and rebate details within the offer letter.
- Stamping of the sourcing entity at the account level.

2.3 Backdated Account Opening for Savings and Term Deposit Accounts

This feature covers the mechanism for the system to open CASA and Term Deposit accounts backdated through the origination process.

- Capture Submission Value Date as part of the application header. This field has to be manually entered as a back value dated value to enable opening of liability accounts back-dated.
- Origination sends the value captured in submission value date field in case of liability applications to fetch the list of eligible offers as part of the Structure Solution step of the application form.
- Offer Eligibility searches and fetches the list offers which were valid as of the value date passed from origination.
- This date will also be used as part of the pricing interaction done by the module to fetch the interest rates and margins. Fees are applied based on the posting date on which the account configuration is being done.
- There will be specific handling in case of incomplete submission being submitted after End of Day operations for the date on which submission has been captured are completed. In such a scenario, the system will force the user to “re-configure” the accounts within the Structure Solution step of the application form.
- If the user captures a back value dated submission value date, the system will expect the user to apply for New Deposit type of product groups. There will be NO backdated effect or processing for New Lending or New Credit Cards or Amend Lending Facilities or Amend Credit Card Limit types of application.
- In case of lending product groups, backdated handling will be done by processing of the same in Settlement Instruction.

2.4 Credit Assessment

The stage of credit assessment is applicable only in the case of lending applications (that is, product groups belonging to Loan OR Overdraft product class).

If the credit decision is APPROVED or CONDITIONALLY APPROVED, the application has ability to guide the user through subsequent stages of origination and move to the next stage of processing that is, Configuring Facilities and Configuring

Accounts. In the case the credit assessment process has given result as DECLINED or REFERRED, the system can guide the user to the next logical step so that the application can be processed manually to take appropriate Credit Decision which will be recorded as Manual Credit Decision.

Subsequent to credit decision, the overall decision for the entire application is stored by the solution. The solution also stores decisions for individual products applied by the customers.

Following are the features of credit assessment:

- Applicable for lending applications. The task related to manual credit review or downsell acceptance is created at submission level. The post approval tasks are created at the logical levels defined for the respective task.
- Capability to interact with third party interface for credit decision outcome
- Repair task to handle credit assessment failure and mechanism to get the submission re-assessed
- Mechanism to handle different credit decision statuses like Approved or Conditionally Approved or Declined or Referred or Referred Downsell
- Capability to perform fraud check as part of the credit assessment process and handling of the same
- Based on the credit decision outcome, the system can take different paths as mentioned below:
 - **Approved or Conditionally Approved:** Move the submission into the post approval flow where the system will proceed to create tasks like valuation, verification, structure solution and title search.
 - **Referred:** Move the submission into the manual review of credit assessment step. Here, the credit team will be given opportunity to either approve or decline a submission. Decline will take the submission into Reject Letter processing phase whilst Approve will take into the approval workflow based on authorization matrix. Only after all the approvals, are completed, system will mark the submission as Approved and move to creation of post approval tasks.
 - **Declined:** A declined decision from credit decision engine will move the submission into Reject letter processing task. Additionally, if the banker wants to do a manual review of credit assessment then the banker can initiate the same through the link provided in the application tracker or the reject offer letter task. If the manual review of credit assessment is initiated, then banker can approve or decline submission. System removes the reject letter processing task once the manual review of credit assessment task is initiated.
 - **Referred Downsell:** Take the submission to Downsell Acceptance task if the submission has a downsell and the user can either accept downsell (which will move it to approved flow) OR reject downsell (take it down the reject letter flow) OR move the submission into manual review.
- System provides a mechanism to assess a submission multiple times and maintain the complete credit decision outcome for each time.
- System can carry forward the latest comments that were part of credit memorandum if the submission was to undergo multiple edit from or post manual review of credit assessment task. The user does not have to prepare the whole credit memorandum each time the submission is edited.

- Credit Decision History Inquiry gives the user an opportunity to inquire, check and assess the outcomes for the submission for each credit decision outcome received from the third party interface
- System creates an overview of a submission if the submission is approved by the user as part of manual review of credit assessment or if the submission is approved by the approver using an approver task. The overview required indicator can come from the decision engine or on a random basis.

2.5 Support for Manual Review of Credit Assessment

It is important for the banker to take into account, the entire information within application before credit decision. In order to support that information on application, exposure and existing account of the borrowers are displayed as part of the manual review of credit assessment.

Following features are brought in to support manual credit review:

- **Display Application:** A link view submission has been provided in the Manual Credit Assessment screen for the banker to view the application details, like personal details, employment detail, financial details and so on.
- **File Summary Report:** As part of view exposure summary panel, a link View File Summary Report is provided. The file summary report will generate a report that contains the details of the various facilities owned by the borrowers and guarantors, the collaterals for those limits and the accounts under them with the respective outstanding.
- **View Conduct:** View conduct is the action provided as part of the Manual review of credit decision. The following information is provided as part of the view conduct:
 - Bureau reports
 - Loan details including arrears and DPD
 - CASA or OD details including DPD and cheque returns
 - Credit card details

The information is provided for the borrowers and applicants who are part of the application. The information provided for all the accounts or loans or cards where the applicant or guarantor is part of. The credit card details are not fetched or stored as part of the product. This is a placeholder and the information has to be fetched as part of consulting. The information is retrieved in real time till the submission is approved or declined or submitted for approval. The information at the time of approval or submit for approval is persisted in the submission.

2.6 Interest Sensitivity Rate

Interest sensitivity rate is the rate used for calculating the debt service obligation of the borrower. This rate is used only for calculating the debt servicing obligation for credit decision and does not have a bearing on the actual rate fixed for the account post credit decision.

2.7 Debt Servicing

Debt servicing refers to the ability to repay the loan. System has the capability to check the debt servicing capacity of the borrowers. Debt servicing forms part of manual

review of credit assessment where the user manually approves or decline a submission. The debt servicing is always done at a submission level. System has the capability to form multiple debt servicing groups however same person cannot be part of more than one debt servicing group.

Debt servicing checks if the borrower has any surplus income after taking into account all the income and expenses and loan obligations including the proposed loans.

Following features form part of the debt servicing capability within manual review of the credit assessment:

Consolidated Repayment Summary

Repayment summary consolidated consists of proposed and other repayment summary. Proposed repayment summary consists of the monthly debt servicing obligation for each product group. This is calculated using interest sensitivity rate, requested amount and requested term.

System has the capability to capture the other repayment obligations which is the existing loans of the applicants or guarantor within the bank and outside the bank. This information has to be entered. System supports capture of both the scenarios before and after sanctioning of the loans

Debt Servicing Summary

Debt servicing summary displays the information at debt service group level. The system displays available surplus for debt service (sum of incomes of each member of the group after expenses), repayment obligation (sum of existing and proposed loans of the members of the group) balance amount after surplus (available surplus for debt service minus repayment obligation).

At a debt servicing group level, the user can choose to add a person to the debt servicing group or modify the debt servicing summary.

The modify debt servicing summary screen opens financial summary of the debt servicing group. It contains all the income and expense parameters for each of the borrowers who are part of the debt service group.

In case, same financial parameter has values across multiple borrowers, then the system will show the total value.

For organization and trust where the financial statements are captured for a period (between a start date and end date), system will calculate the monthly value to arrive debt service value.

In case of salaried individual where the income and expenses are captured based on frequency system will arrive at the monthly value and use that for debt servicing.

System displays the values as captured in application and as given by the decision engine. An additional column is provided for the user to input values which is different from those provided by decision engine and customer. This value is used to arrive at the debt servicing scenario.

Based on the user input value, system displays the pre and post loan scenario for the members of the debt servicing group.

The user can capture the comments and approve or decline the submission.

2.8 Mechanism to Perform Manual Review for credit Assessment in case of Timeout Scenario

Credit Assessment is the process by which the bank determines whether to approve or refer or decline the loan application. This involves evaluation of the facility applied, the borrowers and guarantors, their financial position, credit bureau information and risk scores and evaluation of the collateral linked to the facilities applied.

The system provides the submission (and its lending applications) for credit assessment through an adapter mechanism and provides a mechanism to return outcomes at various levels in the submission namely submission, application, applicant, facility and collateral.

The system provides a mechanism with the Credit Assessment Failure task to push the submission for manual credit decision processing. When the submission is pushed for Manual Credit Review via the Review of Credit Assessment human task, the system will perform the following:

- **Credit Decision Status:** The system will default the Pending credit decision status for the different levels in the submission where a credit decision status is expected namely, submission, application, applicant, facility and collateral.
- **Verifications:** The verification policy [defined in Oracle Banking Core (licensed separately)] will be executed to determine if any recommended verification to be done.
- **Valuation:** System will give the user an opportunity to capture recommended valuation type for collateral in the scenario where the submission is pushed for manual credit review.
- **Conditions and Covenants:** Recommended conditions and covenants from the internal Conditions Policy and Covenants Policy defined within Oracle Banking Limits and Collateral Management (licensed separately) will be displayed and user can add any additional conditions and covenants.
- **Credit Decision Reason Codes:** The system will provide the user an option to add any credit decision reason codes, as may be applicable, for the different levels in the submission.
- **Credit Memorandum:** In the scenario where the submission is pushed for manual credit review, the credit memorandum indicator at the submission level will be set to Not Required.
- **Overview:** For a submission which is overridden for manual credit review, the overview indicator will be set to Required.
- **Fraud Status:** The system will make a separate call to the fraud assessment system and in case of no response from this system set the default fraud status as Referred which will create the Fraud Status Resolution task documented separately in this document.

2.9 Fraud Status Resolution Task

The system provides a mechanism to store the fraud status at an application level. This fraud status was expected to be returned as an outcome of the interaction with third party credit decision engine. The fraud status will also be validated during generation of outbound documents as part of the Create Offer stage in the origination workflow.

Following are the features of Fraud Status Resolution task:

- If outcome of the fraud status is other than Approved (that is, negative) then system can either:
 - Suspend the origination workflow till fraud resolution is done OR
 - Continue with the origination workflow till Create Offer stage.
- The system has capability to override fraud analysis status by using a task titled Fraud Status Resolution.
- The user can inquire on the fraud outcome using Credit Decision History Inquiry.

2.10 Verification

Verifications indicate the logical information provisioned by applicants and /or guarantors which has to be verified by the bank post the credit approval. Such cases are called conditionally approved. Also, there could be scenarios where the bank might approve the submissions only once tasks like verification or valuation are completed successfully.

Oracle Banking Originations provides both these flexibilities based on the outcome of credit assessment.

Following are the features of verification:

- Applicable for lending applications. Task is created at application level
- Ability to display verification, from third party interface or using a verification policy (maintained with common services module).
- Ability to add any additional verification over and above recommended (from external system or internal rules) verifications
- Ability to verify or waive or delete verifications.
- Ability to define documents required for verification and capture and display of such documents.
- Options to either mark verifications as Successful or Unsuccessful or request for additional information to complete verifications.
- **Request More Information**

A status called Request More Information is available at each verification instance. This will enable the bank to indicate that additional information is required from the applicants for the verification to be completed. This status and the associated comments can be viewed from the customer facing channels like portal, internet banking to indicate to the customers what exactly needs to be furnished for the verification to be completed.
- **Comments or Notes Integration**

The Comments functionality has been integrated within the Verification task. This task supports replying to existing comments, providing history of the changes to the comments and mechanism to identify whether the comments should be internal or external to bank users.
- **Display of application details**

A View Submission link has been provided in the manual credit assessment screen for the banker to view the application details.
- **Display of completed verifications**

It is possible that the submission might undergo multiple edits during its life cycle. In each edit scenario, a new set of verifications are resolved which the user has to verify. These verifications may also include verifications which he has performed earlier. System will store all the completed verification types for party or collateral as part of submission.

- **Automatic update of verification status for multiple instances of same verification type**

As part of verification policy, it is possible that the same verification type is resolved for the party or collateral as part of different applications. System will update all the instances of verification type within the same submission across applications, if the verification type is completed in any one application.

- **Modify verification status**

System allows modification of a verification status and verification type from successful to unsuccessful or request more information till the verify application data task is submitted. System will not allow further modification once the task is submitted.

2.11 Valuation

Valuation indicates the process by which the bank will assess the current market value of the collateral. This will also determine other key indicators for the loan applied for by customers, which are the Loan to Value Ratio (also called LVR) and the bank value of the collateral calculated based off the valuation process.

Typically, banks interact with third party valuation agencies either via manual or automatic process to get the collateral evaluated.

- Valuation Task is created at collateral level. It can be initiated either from Review of Credit Assessment (also known as Manual Credit Decision) or as part of the post approval tasks once a submission has been approved.
- Ability to display recommended valuation type as part of the outcomes if received from third party interface.
- System has the capability to identify the existing valuation reports that are not expired and not to trigger valuations in such cases.
- Valuation contains the following features or capabilities:
 - Initiate request for valuation to valuation agency
 - Amend or Re-initiate request
 - Cancel valuation request
 - Receive or Capture or Display the collateral valuation report
 - Inquire a completed valuation report
 - Update status for collateral valuation request
 - Verify valuation report once it has been captured
- The originations support valuation using the LCM services using the following steps:
 - Valuation Request Details Capture
 - Valuation Report
 - Valuation Report Verification

The functionality of change of recommended valuation type and waiver of valuation are available in the Valuation task in Oracle Banking Originations.

The tracking of Valuation tasks is possible in Application tracker.

2.12 Title Search

Title Search is the process by which the bank can authenticate if the collateral is registered with the applicants or guarantors claiming to be the owners of the collateral.

- Title Search task is created at collateral level and it can be initiated either from Review of Credit Assessment (also known as Manual Credit Decision) or as part of the post approval tasks once a submission has been approved.
- Key steps within title search are as follows:
 - Initiate title search request to title search agency (including capability to send multiple requests)
 - Amend or Re-initiate existing title search requests
 - Cancel title search request
 - Receive, store and display of title search reports
 - Mechanism to update the status of the title search requests.
- Originations use the Title Search sub-process developed within Oracle Banking Limits and Collateral Management for performing title search.

The tracking of Title Search tasks is possible in Application tracker.

2.13 Structure Solution

This is the stage where the accounts can be configured for the product groups applied for in the submission.

Following are the features of Structure Solution:

- Applicable for both lending and liability product groups
- Mandatory for liability product groups as part of the application form
- Mandatory post credit assessment for lending product groups
- Task is created at product group level. If the account configuration is done pre-assessment, then this is retained post assessment, except a few scenarios like downsell acceptance
- Handling of loan and overdraft cases within this stage. Mechanism to create 1 or more sub-lines within the facility (or main line) applied for. Option to decrease mainline limit in case customers want lesser limit than what is approved by the credit decision engine
- Interaction with offer selector for recommendation of offers based on features required and offer eligibility validations
- Configuration of account information based on which accounts will be created during the account opening process.
- Capability to interact with Oracle Banking Relationship Pricing (Licensed Separately) for derivation or display of interest rates, margins and fees, wherever applicable

- Negotiation of margins and fees. Approval handling for negotiation of interest margins
- Retrieval of origination fees, option to collect or defer these fees so that they are deducted as part of disbursement during settlement instruction execution
- Refresh of the funds table for the respective product group
- LVR, Outstanding Exposure would also be available as facts in Pricing to determine the relevant pricing for the accounts.
- Ability to cancel or unsubscribe the bundle as part Post Credit Assessment Structure Solution.

2.13.1 Current and Savings Account Configuration

Following features form part of Current and Savings Account (CASA) account configuration:

- Account Title: The account title will be auto-populated with the names of all the applicants who are present as part of the application form. This will be handled for applications created for individual or organization or trust type of applicants.
- Alternate Account Capture: The system will provide mechanism to capture alternate account for credit or debit interest and fees as part of the account configuration itself.
- Capture of Default Mailing Address is mandatory for all borrowers and Correspondence Preference required for at least one account owner.
- Capability to link affiliates associated with applicants to the account.
- Cheque Book Request capture will be optional for the accounts where the offer selected has cheque book facility and the customer wishes to apply for cheque book as part of account configuration.
- Personalized title for the cheque book captured as part of the Cheque book details panel.
- As part of Account Preference panel, the user can select the account either as Employee Account or Employee Referred Account.
- Supports Backdated Account Opening for Savings and Term Deposit Accounts.
- Capture of Account Operating Instructions
- Supports handling of warning indicator actions.

2.13.2 Term Deposits Account Configuration

Following are the enhancements in Term Deposit account configuration:

- Account Title: The account title will be auto-populated with the names of all the applicants who are present as part of the application form. This will be handled for applications created for individual or organization or trust type of applicants.
- Supports Backdated Account Opening for Savings and Term Deposit Accounts.
- Mechanism to capture transacting party details in case of threshold limit breach for certain modes of payin.
- Mechanism to capture Account Preference called Employee Referred Account indicator. It is used to identify if the account has been referred by an employee and so appropriate margins can be applied.

- Capability to link affiliates associated with applicants to the account.
- Capture of Account Operating Instructions

2.14 Create Offer

The bank will generate and dispatch a set of documents to be signed and accepted by the customer. This is a crucial step before the acceptance of the terms and conditions put forward by the bank for the customer to understand and accept or re-process them if there is something unacceptable within the same.

Following are the features of create offer:

- Task is created at application level.
- Interaction with DMS module via the outbound document policy for identifying the recipients and the documents to be dispatched to the respective recipients.
- The generation and dispatch details will display list of recommended documents to be sent to the recipients based on the rules configured within the DMS module of Oracle Banking.
- Covers lending applications only. Key details like the facility structure, account configuration, key attribute information like origination fees and servicing fees can be printed along with information if the accounts are bundled, condition and covenants applicable at the facility level and so on.
- Handling of document template via either BIP or Documaker.
- Default dispatch preferences can be overridden by the user based on certain validations.
- Mechanism to capture acceptance and execution status for the documents on the basis of the attributes defined at the document type level within the DMS module.
- Create Offer is a logical stage in the origination workflow which handles the processing of outbound documents to be dispatched to the borrowers, affiliates and guarantors.
 - **Create Offer:** This task continues to be at application level and will continue to deal with the Generation and Dispatch part of the Create Offer task. After all the documents are generated and dispatched, the system will give an informational message indicating the same and on user confirmation, system will proceed to close this task and move to the Accept Offer stage.
 - **Accept Offer:** The task will display the details of the outbound documents generated and dispatched to the concerned parties. It will also provide the mechanism to record Acceptance and Execution Details for the documents generated for the particular application. This task will be created at application level, similar to the Create Offer task.

2.15 Account Creation And Settlement Instructions

This section explains the functionality of account creation and settlement instructions in Oracle Banking Originations.

2.15.1 Create Account

Following are the features of Create Account:

- This task is created at product group level. This is created only for product groups where Settlement Required parameter is NOT enabled at the credit policy level.
- Human task would be created only when there are exceptions (when the check mentioned below fails) encountered, else the system would initiate the Create Account process and the accounts will be created automatically.
- This step involves checking of preliminary conditions being complied, activation of facility hierarchy and related information like linkage of facility to collaterals, conditions, covenants that is, moving them from Proposed state to Active state.
- Any pending deferred origination fees for the respective product group need to be collected before the accounts are opened.

2.15.2 Settlement Instructions

Following are the features of Settlement Instructions:

- Task is created at application level. It is created for product groups where Settlement Required is enabled at the credit policy level.
- It supports two modes, such as application level and account level mode.
- Capture of borrower contribution, disbursement and generation of payout instruction is done as part of this task.
- Oracle Banking Originations provides facility to capture information within two areas of settlement instruction which are:
 - **Borrowing Contribution Instruction:** Needed to receive the contribution amount from the borrowers to include along with the sanctioned amount of the accounts to be disbursed to arrive at the final payout amount.
 - **Settlement of Payout Instruction:** Debit type of instructions needed to disburse the loan and consider contribution, if any, to be paid out to the seller and applicable beneficiaries, if any.
- Capability to support different modes of settlement for contribution and final payout.
- Mechanism to maintain future dated or current dated settlement instructions
- Current dated settlement instruction executed as part of the same posting dates EOD process.
- Future dated settlement instructions executed in that days BOD process.
- Capability to Revoke (maintained but not executed instructions), Reverse (executed instructions on the same posting date) and mark the instruction as Complete (to indicate logical fulfillment of the application).
- **Capitalization Related Enhancements:** The system will display a break-up of the capitalized components performed as part of the earlier stages. Also, Oracle Banking Originations will pass the details of these amounts to the Common Account (licensed separately) for settlement related processing of these amounts. The uncapitalized components will continue to be displayed within the Deduction Details panel.
- **Backdated Settlement Instructions:** The system will allow the user to capture back value dated settlement payout instructions where the payout date cannot be beyond the offer letter acceptance date. Also, the disbursement date or instruction debit date for Loan and Overdraft accounts will be backdated. In case of backdated settlement, the allowed modes will be ONLY CASA Account or GL

Account. However, in case of loan account settlement, certain benefits like Mortgage Offset Benefit linkage or Accelerated Payment Setup will be done only from current posting date.

- **Partial Settlement in Account level mode:** Partial settlement is also allowed to facilitate progressive disbursements at an account level.
- **Online Disburse Feature:** In case of current dated settlement instructions, the system will provide an option to the user to disburse online the accounts for which settlement instruction is maintained.
- **Display of Funds Table:** From operations perspective, the funding table for each facility cannot be viewed in Settlement Instructions. There will be a hyperlink visible for each facility listed under the Settlement Instruction Account Details panel.
- **Modes For Contribution:** The system will support contribution payin by multiple modes like cheque external account, Own CASA, CASA account, and ledger.
- **Reversal Handling:** Reversal will be supported in case of the first disbursement being backdated for loans, overdrafts and MOF type of product groups. Reverse will be allowed only on the posting date on which the settlement instruction has been executed.

2.16 Collateral Perfection

Following are the features of collateral perfection:

- Task is created at submission level. This is an optional task as part of a submission
- Enables the bank to maintain charge related details for the collaterals linked to the facilities in the submission
- Support maintenance of status based on the type of charge to be created like registered or Hold unregistered or not held – registered or obsolete or discharged and so on
- Selection of multiple collaterals for creation of a charge
- Validations like during multiple selection, validate that the owner or owners of all the selected collaterals are the same

2.17 Edit Submission

Following are the features of edit submission:

- Action that appears in almost all the key tasks within Oracle Banking Originations
- Mechanism to rollback the credit assessment, stop work on existing tasks to modify the state of applied facilities like reduce requested amount or add more collaterals or change charge amount at collateral level post credit assessment
- After a conformational warning message, using this option will create a human task Edit Submission at submission level which is similar to the application form capture
- System will reassess the submission once the user confirms the submission as part of the Review and Submit step via this option
- Offers convenience to bank users in practical situations where collateral valuation received is different from earlier estimated value or when customer requests for

increase or decrease in loan amount before final settlement or for any other genuine reasons

- Feature to process Edit Submission will also be provided in many of the post assessment tasks including Reject Offer Letter scenario mentioned in [Chapter 2.33, "Edit Submission Option in Case of Reject Offer Letter"](#).

2.18 Bundle Origination

Following are the features of bundle origination:

- As mentioned in application form capture, system will provide mechanism to originate bundle applications. This covers capture of mandatory or optional offers in the bundle being applied. Some of the key areas in the logical stages are mentioned below:
 - Nomination for bundle maintenance fees and first account in the facility structure is nominated for bundle subscription fees
 - Indicator passed as part of account configuration so that the appropriate benefits defined for the bundle are displayed as part of the interaction with pricing within the Structure Solution stage
 - Specific handling in the Create Offer stage to print bundle related key details

2.19 Application Forking and Routing Concepts

The access of users to tasks is controlled through role's to which the task access is allocated through SMS. The user can belong to a role based on the configuration with the Oracle Security Stack related integration within the overall Oracle Banking solution.

The BPM work list component is used for the tasks driven through Oracle Banking Originations. BPM features like Claim (to start work on a particular task) or Release (through which the user can return the task to his or her role work list) are integrated within Oracle Banking Originations. Over and above this, Oracle Banking Originations provides specific actions which each logical task through the user can move back and forth in the origination workflow in the context of a particular submission.

2.20 Lenders Mortgage Insurance (LMI)

Following are the features of LMI:

- Support functionality of insurance like lenders mortgage insurance (which protects the lenders interest)
- Parameter to indicate if LMI is applicable via credit policy configuration linked to product group
- Rules for whether LRM is applicable LRM provider, type of LRM request to be initiated are configured within Origination Preferences and executed just before the display of the Funds Table
- Mechanism to handle as part of the credit assessment outcomes whether LRM is applicable at a facility level
- Also, handling of the same in case of manual review of the submission where the LRM condition can be manually added at the facility level

- Human task called Mortgage Insurance to manage interaction with third party provider for creation of insurance policy within Oracle Banking in proposed state at this point
- Processing along with activation of facility to move linked insurance policy from proposed to active stage. Handling of LMI premium amount to be collected as an arrear in the nominated account within the Settlement Instruction step of the origination workflow
- Support Negotiation of LMI Estimate in Funds Table
- Support Negotiation of LMI estimate in Structure Solution
- Enable Approval matrix for the LMI estimate negotiation approvals
- Process the Mortgage Insurance task automatically without creating the Human task, that is, managing the interaction with third party provider for creation of insurance policy.
- Provision to create Human task in case of any exceptions found as part of automatic processing.
- Provision to view the Existing Policies linked to the respective Facilities as part of the task.
- Provision to view the LMI negotiation details as part of the task.
- Provision to view the Mortgage Insurance task details as part of Application Tracker.

2.21 Withdraw Submission

When a Customer does not want to go ahead with Submission for any reason or Banker, the system allows user to withdraw submission.

On execution of the withdraw action, the system will cancel the pending tasks, delete all the proposed facilities and associated dependencies (like collateral linkages, proposed conditions and covenants) and mark the submission as Closed

2.22 Variation Outside Arrangement

Following are the features of variation outside arrangement:

- Handled using the Amend Lending Facilities option in the application form
- Handling of variation events like increase or decrease amount, increase or decrease term, changes in the collateral linkages to the amended facility
- Handling of LMI in case of amend flow
- Validations to now allow submission of request if no changes done at the mainline level OR within the collateral step with respect to the collaterals linked to the amended main line
- Subsequent steps like credit assessment, structure solution, offer and account creation or update, settlement instruction handling for the variation outside arrangement (that is, amend) flow
- Change of borrowers – Add or Remove borrowers to an existing facility and its downstream impact across various stages in the application form. Appropriate handling of existing accounts within Structure Solution step for the same.
- Variation events supported are as follows:

- Increase Amount
- Decrease Amount
- Increase Term
- Decrease Term (supported for revolving facilities only)
- Link or Delink collateral to existing facility. The collateral being linked could be new or existing collateral.
- Add Borrower
- Remove Borrower
- Management of bundled accounts in case of remove borrower amendment type being executed – either of Change of Bundle Owners or Delink Accounts from bundle option to be selected.
- Bundle Recommendation: Mechanism to recommend bundle in case of amend flow and handling of amendment to existing accounts linked to a bundle in-flight (as part of the amend flow).
- Collaterals: Handling of borrower change and ownership modification of existing collateral ownership or force de-link of collateral owned by de-linked borrowers.
- Funds Table: Identifiers stored at facility level for amendment to use as facts for charging separate fees for the respective variation events. Also, handling of amend scenarios to display appropriate information within Funds section of Funds Table.
- Capitalization of fees and LMI as part of the amend flow.
- Settlement Instruction: The ability to create settlement instruction task for different combinations in which amendments have been done in combination of facility and account modifications in amend scenarios.

2.23 Application Tracker

Application Tracker option provides a number of functionality feature points which will enable the bank to enhance or improve the closure of the origination workflow for a particular submission OR the applications under a submission.

- Retrieval of incomplete submission and mechanism to update and submit the submission
- Collect origination fees marked as deferred prior to settlement instruction or account opening
- Mechanism to view and upload documents to be provided by applicants and guarantors related to a submission
- Upload documents linked to verification types associated with an application
- Option to upload accepted offer related documents and view generated outbound documents related to an application
- Feature to capture solicitor details
- Mechanism to search applications or submission based on a number of basic or advanced search criteria
- View Submission: Application form style inquiry of the complete submission to display state of the data captured in the application form when it was submitted into the system

- Notes functionality: Integration with the revised comments functionality to display comments captured at each logical step in the origination workflow including the data entry stage. Also, mechanism to add or reply to existing comments for a particular application
- Display of application fraud status for certain roles based on role based access control setup
- View and capture of referee details for a particular application
- Mechanism to view or generate application form, if not generated already, for an application
- Display sourcing entity details in the application tracker. Additional fields like sourcing entity, sourcing entity mode included in the additional search criteria fields within application tracker
- Mechanism to push a submission for manual credit review in case of failure from automatic credit assessment
- Ability to view aggregator sourced submissions
- Ability to upload accepted offer documents in the Offer Documents panel
- Display of Verification comments through the application tracker
- Cancel Application functionality introduced within Application Tracker similar to the functionality available in Application Form to mark a submission as Cancelled
- Display of application state instead of application status, as it appears in the header
- Display of Valuation, Title Search and Mortgage Insurance task details
- Ability to Trigger Manual Credit Assessment in case of Reject Offer being dispatched and within the respective grace period

2.24 Handling of Affiliates within Origination

Affiliates are parties associated to individual or organization and trust in owner or administrator capacity.

The directors of an organization and trustees of a trust are captured as applicants for the product groups applied as part of the submission. However, this may not be ideal since from lending perspective, this will make such entities also part of the borrowing entity.

The following features have been integrated as part of Oracle Banking Originations:

- Integration with Party Relationship Maintenance, Party to Party Relationship
- Capture Administrators, if any, for individual applicants through Personal Details page. Enable Owners and Administrators capture for Organization and Trust applicants. Provide mechanism to upload specific adhoc documents for such affiliates.
- Capture Party Relationships in Personal Details
- Collaterals step links affiliates with collateral sharing turned on at the party-to-party relationship level.
- Financial Details allows financial capture for affiliates with financial sharing enabled.

- Supports Document checklist for affiliate in Document Checklist step of the application form for inbound documents
- Supports affiliate handling within the account configuration step for the respective modules – CASA or Term Deposit or Loans – like linkage of affiliates to account, account holder preferences capture and so on
- Supports generation of outbound documents for affiliates.
- Creation of party to party relationships based on application form capture and party to account relationships based on affiliates linked to account

2.25 Consumer Credit Insurance (CCI) Support for Loans and Credit Cards

Consumer Credit Insurance (CCI) is a mechanism for the borrowers to get protection for their loan which they are applying for with the bank. In case of one or more events which are covered by the insurance policy like death, disability, the insurance provider will take over the responsibility of making the repayments on behalf of the customer. Applying for this protection will involve the borrowers to pay for the additional premium as a one-time charge which can be capitalized to the loan account within Oracle Banking.

The following steps are to be followed to support this feature as part of Oracle Banking Originations for Loan product groups (for Loans product class):

- **Product Details step in the application form:** Capture whether the borrowers want to apply for CCI (if the product group has CCI applicable), which borrowers want to apply for CCI and the respective policy that the borrower wants to apply. Eligibility rules in case of existing party executed as part of the Continue button within this stage itself.
- **Personal Details step in the application form:** Execute CCI eligibility rules for the applicants applying for CCI along with the product groups applied within this submission and disallow selection of ineligible policies by the respective applicants.
- **Funds Table steps in the application form:** See [Chapter 2.29, "Funds Table – New Funding Parameters Capture and Display, Capitalization Handling"](#).
- **Structure Solution** – Nomination of one account mandatory under a facility hierarchy in structure solution. In case of capitalized CCI, the CCI premium amount will be added to the sanctioned amount of the nominated account. CCI is deemed as capitalized in case of Bank Funded premium payment option and One Time periodicity of premium
- **Consumer Credit Insurance human task:** Task for interaction with third party system for creation of CCI related policies. Task is created at application level and will handle calls for the product groups applied for (along with CCI) in the particular application.
- **Create Offer:** Information related to CCI applied for by the borrowers will be printed in the offer letter in the appropriate application. Also, CCI welcome letter generated per borrower, who has applied for CCI (in the respective facility) as part of this stage.
- **Create Account or Settlement Instruction:** In case, CCI is capitalized, the same to be handled as part of the interaction between Origination and Loans as part of settlement processing. During the confirmation of settlement instruction or account opening, creation of the active insurance policies to be done at this stage.

Alignment of the start date and end date of the CCI policy will be done as part of the loan disbursement.

- Handling of change in premium amount as per the CCI premium estimate that is, quote OR rejected CCI policy is handled within the Oracle Banking Originations workflow.

The following steps are to be followed to support this feature as part of Oracle Banking Originations for Credit Card product groups (for Credit Cards product class):

- **Product Details step in the application form:** Enable Consumer Credit Insurance if the covered by consumer protection parameter is checked at the credit policy linked to the credit card product group.
- **Credit Card Account Opening Interaction:** This indicator captured as part of the Product Details is provisioned to be passed to third party systems to indicate if the applicant has applied for CCI along with the credit card.

2.26 Capitalization of Fees and Insurance (LMI and CCI)

Capitalization (that is, loan funded) means that the fees or insurance components are added to the loan account applied for by the customer.

The following changes are done to support capitalization of origination (and servicing fees) and capitalization of LMI and CCI components:

- Capitalize Fees and Capitalize LMI options captured in application form:
 - **Capitalize Fees:** Option provided within the Product Details step of the application form to capitalize origination fees (which will be added to the requested amount over and above the base requested amount captured within the same step). Selecting this option will make Structure Solution mandatory pre-assessment
 - **Capitalize LMI:** Indicates that the LMI also needs to be capitalized along with the base requested amount captured in the Product Details step of the application form
- CCI is deemed capitalized when the premium payment option for CCI is Bank Funded and the periodicity of premium is One Time.
- **Structure Solution:**
 - This step is mandatory pre-assessment to get complete account configuration to identify, if any, servicing fees also to be capitalized as part of the New flows for lending product groups. Nomination of an account within the facility is mandatory to which the capitalized components are added to the sanctioned amount of the loan account.
 - The base amount on which LMI quote is made will include the capitalized origination and servicing fees. Any change in these components will re-trigger LMI quote. There are a number of scenarios with respect to LMI which are detailed within the functional specification documents like for example: Pre-assessment LMI is not applicable but is applicable post credit assessment or vice versa to name a few.
 - In case of structure solution post assessment, the system will also allow the user to modify the capitalized components captured in origination like origination fees and any changes done to the same, if breaching the credit cushion (parameters configured at credit policy and linked to product group) will force the user to perform Edit Submission.

- **Mortgage Insurance task:** Mechanism to check if the policy amount differs from the premium quote amount and mechanism to force the user to go back to Structure Solution to refresh the nominated account
- **Consumer Credit Insurance task:** This is a human task (similar to Mortgage Insurance) at application level for CCI policy creation. Mechanism to handle reject of CCI policy and CCI premium amount being different from capitalized CCI quote amount done as part of this task.
- **Create Offer:** Offer Letter template related enhancements can be referred from [Chapter 2.34, "Create Offer Outbound Documents - Offer Letter and CCI Welcome Letter Templates and other enhancements"](#).
- **Settlement Instruction:** Display of capitalization components within the Capitalization details panel in Settlement Instruction task. Passing of the capitalized and uncapitalized components to the servicing module for handling during disbursement (in case of loans) or debit (in case of OD) from accounting perspective and also processing of the settlement instruction itself.

2.27 Generation and Printing of Application Forms

The system provides a mechanism to capture information which will be used to process the product groups applied for in a submission by the respective borrowers.

The following are supported as part of generation and printing of application forms:

- There will be an option to generate the application form for each product group applied in the submission.
- A single template via the document type APPLICATION_FORM will be used for liability and lending product groups.
- The user can generate the application form either via the Review and Submit step of the application form or subsequently via the Application Tracker using the Generate Document option. In case of subsequent generation, the system will use the state of the application form when it was submitted in the system for the generation of application forms.
- The document will be indexed with application and submission identifiers and can be subsequently searched via the Content module option for document search and upload.
- Since the generation of documents is asynchronous, the system will provide a Refresh hyperlink till the document is generated successfully.
- Once document is generated, the View Document option will be automatically enabled. The user can use this to view the generated application via the IPM viewer directly.

2.28 Property Details Capture for Stamp Duty Computation

Property Details indicate the details of the property that the borrowers intend to purchase out of loan proceeds. Typically, the borrowers have to pay stamp duty fees and registration fees based on the property being purchased. There could be additional fees levied or benefits provided (for example: subsidy or grant from the federal or state government) based on the purpose for which the property is being procured.

Property details can be captured in the application form for New; and Amend type of options being selected for lending facilities. The Properties captured as part of one

product would be available as part of other Products in the Submission and the same can be selected as well. The information details to be captured are as follows:

- Property ID and Property Description
- Purchase price of the property
- Address details of the property – Details like the state, city, zip (also known as postal code) which play as determinants in computation of stamp duty
- Primary place of residence – Indicator whether the borrowers intend to use this property as a primary place of residence
- An indicator called as Will this Property be considered for Fees is available. Based on this flag, what are the properties would be sent to Pricing module (licensed separately) for the relevant Fee evaluation.
- Transfer of Land Value Amount: This is same as Purchase price and in some exception cases, it might defer. This can also be used as one of the input in the Fee computation.

As part of Post Credit Assessment Structure Solution, user can view or modify the relevant property details. The Properties with the flag Will this property be considered for fees checked would only be displayed.

2.29 Funds Table – New Funding Parameters Capture and Display, Capitalization Handling

The funds table is a step to display the source and outlay of funds in the case of lending product groups in the application form. This is to give an idea to the banker and also the borrowers how much of the funds will be sourced by the bank and what are the various reasons for the funds being sourced (example: property purchase price, fees to be paid and so on).

The system provides a mechanism to define a funding table template (configured with funding parameters). This template is linked to the combination of product group and purpose type. In case of product groups where fees and/or LMI are applicable, it is assumed that operationally the bank has ensured that there is a template defined with the appropriate parameters for LMI within the template.

- Rules module of Oracle Banking will not additionally support Mathematical functions like ABSOLUTE, ROUNDDOWN, ROUNDUP, TRUNCATE for the BigDecimal and Money data types.
- **Other Costs:**
Mechanism to define one or more funding parameters within the template belonging to the funding type Other Costs and use it in the capture of funds table. Additionally, there will be a Remarks column which can be used to capture information for each of the funding items of Other Costs funding type.
- **Ad-hoc Fees:**
An ad-hoc fees can be defined in pricing module with value 0. This fee will appear as an outlay in funds table where the user can manually input the fees on a case to case basis.
- **Consumer Credit Insurance Premium Estimate:**
As part of funds table the system can fetch CCI premium estimate using an appropriate interface along with the break up of the premium for each borrower.

- **Bundle Subscription Fees:**

This panel appears within Funds Table corresponding to the product group under which a new account will be nominated for bundle subscription fees. The system will display the Capitalize indicator as checked within this panel if the behavior of bundle subscription fees is defined as CAPITALIZE within the Fee Treatment Preferences of the respective product to which the nominated offer belongs.

- **Capitalization of Fees, LMI and CCI:**

The Capitalize indicator is displayed as checked (if the particular component is capitalized) or unchecked (if the component is NOT capitalized). LMI is indicated as capitalized if the Capitalize LMI option within the same step is checked in Product Details. CCI will be deemed as capitalized when the premium payment option chosen for all borrowers is Bank Funded and periodicity of premium is One Time.

The user will be able to override and un-capitalize certain origination fees only, if required, as part of the Funds Table. The system will also continue to support negotiation (if enabled) for the respective origination fees (irrespective of whether they are capitalized or not) within this stage of the origination workflow.

- **Specific fees for amendment options as part of Amend Lending Facilities:**

In an amend scenario, the system can identify the following events and such events can be used to charge a separate fees:

- Increase Amount
- Decrease Amount
- Increase Term
- Decrease Term (applicable for revolving facility ONLY)
- Add Collateral (Existing or New collateral)
- Remove Collateral
- Add Borrower
- Remove Borrower

2.30 Conditions – Capture in Application Form, Subsequent Stages in Origination Workflow

Conditions are related to the terms and conditions that the borrowers will need to satisfy before the loan is disbursed or on a regular basis post the loan is disbursed. These conditions are the stipulations mentioned by the banker as part of the offer letter dispatched to the borrowers and form part of the legal documentation for the loans approved to the borrowers by the bank.

Conditions can be processed either as an outcome from credit decision engine (tagged within Oracle Banking with condition mode as External) OR as the outcome of execution of conditions policy (tagged within Oracle Banking with condition mode as Derived) defined within Oracle Banking Limits and Collateral Management or manually captured (tagged within Oracle Banking with condition mode as Manual) within the Review of Credit Assessment task (also known as Manual Credit Decision task). The system also provides the functionality of waiver (for external or internal mode of conditions) of conditions within the same task.

The following features are made available as part of conditions:

- Manual capture of conditions as part of application form
- Capture of conditions in Verification, Valuation and Structure Solution tasks
- Waiver of conditions in Structure Solution
- **Condition capture in application form:**

The system will provide an optional step in the application form titled Condition Details which will provide the user a mechanism to capture conditions as part of the application form capture itself. The advantage is that based on the situation of the facilities being applied the banker can decide to attach conditions to the different levels (facility or borrower or collateral) associated with the product groups applied for in the submission. All new conditions manually captured or set via internal rule or received from external source will be set with the condition status = Proposed New. Existing conditions applicable can be only viewed (applicable in case of Amend flow) as part of the application form and subsequent stages in the origination workflow.

- **Verification:**

The verification task (created at application level) will also provide a mechanism to manually capture conditions (and link to either the facility or borrower or collateral within the application). The system will not allow more than 1 instance of Borrowing Entity+ Entity ID (either facility or borrower or collateral identifier) + Condition ID to be created. The system will display existing active conditions within this stage with the View action enabled.

- **Valuation:**

The valuation task (created at collateral level) will also provide a mechanism to manually capture conditions (and link to either the facility or borrower or collateral within the application). The rules around capture and display of existing conditions will be similar to the Verification task.

- **Structure Solution:**

The Structure Solution task (created at a product group level) will provide a mechanism to manually capture conditions (and link to either the facility or borrower or collateral within the application) as well as waiver of External or Derived conditions. The system will also provide a mechanism for maker checker approvals in case of waiver of conditions being performed in the structure solution stage of the origination workflow. This will be in addition to the approval for negotiation of margins and fees within this task.

The rules around capture and display of existing conditions will be similar to the Verification task.

2.31 Bundling – Recommendation View, Selection and Link Existing Accounts to Bundle

Oracle Banking Originations supports the origination of New Product Bundle chosen upfront as part of the application form.

Oracle Banking Originations supports the following in conjunction with Oracle Banking Offer Bundling module:

- Bundles step in the application form to recommend - new and existing owned bundles. Bundles can be either fully or partially qualified.

- Mechanism to capture additional offer related information in case of partially qualified bundle for mandatory offers in the bundle OR for optional offers chosen from the bundle which is recommended.
- Mechanism to link existing or new accounts to a bundle via the application form.
- Bundle and Non Bundle related offers can be selected as part of a single product group in the submission. This is in addition to choosing additional application types to New Product Bundles option in the application form.
- Bundle Recommendation handling within Structure Solution as part of the application form.
- Bundle Recommendation handling within Structure Solution post credit assessment and handling of complex scenarios like multiple product groups applied for in the submission.

2.32 Credit Card Origination – New Credit Cards and Amend Credit Card Limit Options

Origination of credit card accounts where Oracle Banking Originations will interact with third party credit card systems.

The system supports capture of credit card applications and mechanism to originate credit card account. Oracle Banking Originations will provide the requisite adapters to interact with the third party systems for account opening in case of credit cards.

Some of the key prerequisite steps (within the Product Manufacturing module of Oracle Banking) for Credit Card Origination include the following:

- **Credit Policy:** Enhancement for defining credit policy for product class = Credit Card.
- **Product Group:** Definition for group type = Non MOF and product class = Credit Card. Linkage to credit policy to determine origination workflow processing.
- **Credit Card Offer:** Definition of credit card based on which offer eligibility can be defined. Also, this information will help to define the features which can be captured as part of card account configuration within the Structure Solution step of the application form capture.

The following steps are applicable within the Application Form capture within Origination for credit cards:

- **Landing Page:** Selection of application type as New Credit Cards or Amend Credit Card Limit (for handling amend scenarios for existing credit cards).
- **Product Details:** Capture of basic credit card related attributes like whether the applicant wants the card covered by credit insurance, whether the applicants wants to apply for maximum limit and the applicant applying for the credit card.
- **Personal Details:** In case the applicant is a new party, then the system will provide this page to capture all the requisite information to on-board the party with the role as Customer. In case the party already exists in the system, the user will be given a chance to update the existing information.
- **Bundles:** Common step to recommend bundles based on the applicant details and the offers applied for in the application. The system will display recommended bundles and the user can then choose to apply for partial or fully qualified bundles. As part of this, the user can also link existing accounts to a bundle.

- **Financial Details:** Common step for applicants applying for lending product groups. System supports capture of multiple employments and linked financial details for the same.
- **Structure Solution:** Configuration of the account based on the credit card offer chosen from the list of eligible offers under the credit card product group chosen within the application form. The system will allow the user to configure the account covering key areas like:
 - Primary card holder details
 - Add on card holder details, if applicable
 - Delivery Preferences
 - Balance Transfer Details
 - Membership Details
 - Additional Information

This option is available pre and post credit assessment. Within post assessment stage, once the credit card account configuration is confirmed, the system will provide an option to directly create credit card account providing verification has been completed for the application.

- **Document Checklist:** Common step to display the list of inbound documents to be provided by the applicant.
- **Review and Submit:** Common step to display a brief analysis of the application details.
- **Credit Assessment:** The common process for determining the credit decision status of asset product groups applied in the submission. In case of credit card applications with an outcome other than approved, the system will capture the requisite action as part of the Structure Solution task created post assessment for the respective credit card product group.
- **Down sell:** If the case of the decision is Down Sell for the Credit Cards, the system would provide an option to Trigger Manual Credit Assessment.
- **Verification:** NO additional or specific functionality for credit card applications.

2.33 Edit Submission Option in Case of Reject Offer Letter

Once a submission has been declined as an outcome for credit assessment via the Review of Credit Assessment, the system will create a Reject Letter task at the submission level to generate and dispatch the reject letter to the borrowers.

The parameter Approval validity period parameter in Origination Preferences maintenance has been renamed to Decision validity period to support edit submission in case of rejected offer. Though the task is at submission level, the reject letters will be generated at application level for all applications in the submission.

The expiry date is calculated by adding the number of days defined under decision validity period to the posting date. The link for edit submission will be disabled post the expiry date.

The system will allow to reinstate a declined submission during this period.

2.34 Create Offer Outbound Documents - Offer Letter and CCI Welcome Letter Templates and other enhancements

Following are the features of Offer Letter template:

- Commission and Rebate Details information in case of broker or introducer sourced accounts
- Mechanism to generate outbound documents to be dispatched to affiliates by passing relationships between affiliates and applicants.
- Capitalization related enhancements to display the break-up of the components that constitute the facility amount requested for by the borrowers which includes capitalized origination fees, LMI premium amount, CCI premium amount, capitalized servicing fees (for each account configured within the Structure Solution stage), capitalized advance interest amount. It will also display the capitalized bundle subscription fees, if any.
- Consumer Credit Insurance details like the policy information applied for by the borrowers and the premium amount per borrower.
- Bundle related information in case of bundle subscribed (either upfront or via bundle recommendation) for the particular application
 - Details of the subscribed bundle like bundle identifier, name and subscription date
 - Details of the bundle owners - Full names of the owners of the bundle
 - Existing accounts linked to the bundle
 - Details of the nominated account for bundle fees
 - Information related to bundle subscription and maintenance fees
 - Benefits of the bundle (interest and fees) applicable for accounts.

The factory shipped template for the CCI welcome letter generated at a borrower level

2.35 Aggregator Support – Preliminary Assessment, Enrichment

Aggregator is the kind of entity which collates applications from a set of brokers and interacts with the lending institutions and acts as an agent between the banks and the lowest level brokers. Typically, the mechanism of interaction for such aggregators could be an industry or regional standards which are followed by banks. For example: LIXI (Lending Industry XML Initiative) standards are followed within Australia for interactions done by aggregators with a bank for lending applications.

The following capabilities are built to support aggregator origination:

- Introduction of a new stage to record credit decision status that is, Preliminary.
- Enhancements in credit decision history inquiry to display the credit decision outcomes for preliminary credit assessment.
- Introduction of new values for submission status to depict preliminary credit decision outcome:
 - Preliminary Assessment Failed
 - Preliminary Decision Approved
 - Preliminary Decision Conditionally Approved
 - Preliminary Decision Declined and

- Preliminary Decision Referred
- Store preliminary credit assessment result and provision mechanism to update submission status
- Provide mechanism to create human task for data enrichment for submission
- Enhance Application Tracker to display the submission status in case of preliminary assessment.

2.36 Joint Application Form

Joint Application Form is the functionality within Oracle Banking Originations to capture details of an applicant marked as Not Present, link such a not present individual to the account and fulfill the request. Note that an applicant can be marked as Not Present via the application form capture. This option available for new individual applicants only while applying for liability products.

Following are the features of Joint Applications Form:

- Handling of Not Present functionality for affiliates (for example: Directors of a Organization or Individual type of trustees for a Trust)
- Distinction between affiliate and applicant in search results. Appropriate handling of capture of information in structure solution step based on whether affiliate or applicant is being marked as present

2.37 Miscellaneous Features

The following are the miscellaneous features:

- Capture Email ID optional as part of the Applicant Details capture during the Product Details stage.
- Capture of Solicitor Details and Referee Details as part of the application form.
- Cancel Application option available in the application form.
- Display of party identifiers in the Outcome page of the application form.
- Capture Mobile number and Email identifier made optional for Individual applicant in Personal Details step of the application form.
- Integration for support of additional collateral types and categories within Collaterals step of the application form.
- Capture Current Work Address details in Personal Details for Individual applicant.
- Party module KYC rule integration and display or capture of KYC mode, if applicable, within Personal Details step of the application form.
- Facility Level Fees integration in Structure Solution stage for lending product groups.
- First date of disbursement – Logic for validation and approvals in Create account or Settlement Instruction human tasks within Oracle Banking Originations.
- Modification of address and ownership details of collateral via the origination workflow.
- Regulated Loan handling within the account configuration for Loans and Overdrafts.

- Capability to use Proposed Term Deposit as collateral.
- Caters for expiry of recurring documents in the Document Checklist stage of the application form capture.
- Integration with approvals for negotiation of fees and User Defined Margins (UDM) in structure solution for lending product groups.
- Current Approval matrix used for triggering MCD approvals is enabled across all the stages of Origination.
- SLA rules configuration is enabled in SOA composer, so that while creating the relevant Origination task, the system could compute the Due Date.
- Task Priority rules configuration is enabled in SOA composer, so that while creating the relevant Origination task, the system could compute the priority of the task.
- Task Ownership rules configuration is enabled in SOA composer, so that while creating the relevant Origination task, the system could identify the Owner of the task

2.38 Policy Deviations - Capture in Application Form, Subsequent Stages in Origination Workflow

The number of bank policies which guides the banker to perform the relevant activities is large. All of them cannot be monitored automatically by the system as and when the user deviates from the same. For this reason, there should be a provision to capture these kinds of deviations manually by the user who is deviating from the policy and seek approval from the relevant higher authorities.

The Policy Deviations capture is only applicable for Asset and Credit Card kind of products.

The following are the functions pertaining to the Policy Deviations capture:

- A link called as Policy Deviations is provided to enable the user to capture the bank policy deviations encountered in the process manually.
- The library of Policy Deviation Codes is maintained as part of Common services.
- This option of Capture Policy Deviations is available in all the stages of Origination.
- There will also be a link called as View Policy Deviation History for each combination where in the user can view all the existing policy deviations for the applicants to the Product group.
- There will be an approval task flow for the approval of the deviations.
- For the Policy deviations captured as part of Capture Application will need to be done as part of Manual Credit Assessment.

2.39 Pre-approved Limits

A bank, based on details available publicly or proprietary information such as Credit Rating report of an individual may grant individual/s with an approved limit for a specific product.

A pre approved limit is normally sanctioned for individuals who may or may not be customer of the bank. The bank conveys the sanction to the individual and if the

individual accepts the sanction then bank confirms that he or she is worth enough to opt for that product and will be granted the product.

Although for the customer it is a pre approved limit the bank treats it as a prequalification for the product and will do a complete assessment before actual sanction and disbursement.

In summary a pre approved limit does not give an assurance for the customer that the limit will be sanctioned.

As part of Origination, following features have been provided to support the pre-approved limits:

- As part of Product details, there will be a provision to interact with the external system in order to find out whether the Product Group applied by the Customer along with the details like requested amount is pre-approved or not. The pre-approved flag with values as Y or N will be stored against the Product group that is applied. Finally, once the account is successfully created in Oracle Banking, then there will be a provision to interact with the external system in order to confirm the external system about the utilization of the pre-approved limit.
- Additionally, this new flag pre-approved should be available as a fact for the rules that are defined to decide the financial template that needs to be used for the selected product group. This flag value will enable a bank to define a simple financial template in case the bank policy requires capturing minimum financial details for a pre-approved application.
- If there are requests for Cancel Application or Withdraw Submission, there will be a provision to interact with the External System in order to confirm about the cancellation of the pre-approved limit.
- If there are requests for Edit Submission as part of any stage in Origination, there will be a provision to interact with the External System in order to get the latest value for the changed product details.
- In case of the Decline offer task or Reject Offer (Accept Offer task), there will be a provision to interact with the External System in order to confirm about the cancellation of the pre-approved limit.

2.40 Manual Allocation of Collaterals - Origination

Manual allocation for all the facilities in the group, including the proposed facility, will be allowed as part of the manual allocation task in Originations. Each group formed within the submission will be available for submission. This option will be available as part of Capture Application and Manual Credit Assessment. Origination uses the task flow provided by LCM to perform Manual Allocations.

The user will have an option to perform manual allocation post credit decision in case LVR value has changed post credit decision due to change in collateral value.

2.41 Process Tracker - Origination

The process tracker is envisioned as a tool to track the status and progress of a business process and perform generic search by text.

The tracker displays the following in a user-friendly snap shot:

- The various steps that would be applicable for the process in question
- Their type of processing (for example, automated process, manual task or a system service)

- The current status of each of those steps in question, for the tasks and process which have been enabled for the tracker and enabled through BPEL

It is expected that such a tracker would be useful for a Bank Customer Service Executive or a Call Center Executive in answering queries, or actioning on bottlenecks if any, found in the process.

Australia Localization

This chapter describes the key features of Oracle Banking Originations for Australia localization.

3.1 Key Features

Key features supported by Oracle Banking Originations for Australia Localization are as follows:

- Origination of Savings Farm Management Deposit Account is supported.
- Origination of Term Deposit Farm Management Deposit Account is supported.
- ANZSIC and ASCO code capture for account holders during Origination is supported.
- Capture of Australia specific tax codes (TFN or Exemption code, ABN, ARBN or ACN) and related validations are supported in Oracle Banking product localization through Origination.
- Capturing of Tax beneficiary details during origination enabled.
- Capture of Non Australian Address for Current Address type is supported in Oracle Banking Originations for all party types.
- Personal Property Securities Register (PPSR) is a register where details of security interests in personal property (Collateral) can be registered and searched in Australia. Following processing is supported during Origination:
 - Registration of interest on PPSR
 - Release of registered interest on PPSR
 - Modification of a registered interest on PPSR

